



Press Release

FOR IMMEDIATE RELEASE

Contacts: Alice Scott, alice.scott@ibank.ca.gov
Brook Taylor, brook.taylor@gov.ca.gov

February 3, 2016

The California Infrastructure and Economic Development Bank Celebrates 1,000th Loan Guarantee to Help Small Businesses Prosper

*Modern-twist, Emeryville-Based Sustainable Green Products Company,
Presented with a Symbolic \$450,000 Check*

Sacramento, CA – Today, the California Infrastructure and Economic Development Bank (IBank) and the Governor's Office of Business and Economic Development (GO-Biz) celebrated IBank's 1,000th small business loan guarantee at a news conference in the Governor's Council Room at the State Capitol.

"Small businesses with big dreams are our innovators and visionaries, pace-setters and disrupters," said Teveia Barnes, IBank Executive Director. "Small business entrepreneurs serve as the engine driving California's economy, making up 99.2 percent of all employers in the State. When small businesses prosper, California prospers."

Flanked by GO-Biz Chief Deputy Director Will Koch, State Treasurer John Chiang, Legislators, and community partners from the State Assistance Fund for Enterprise, Business and Industrial Development Corporation (SAFE-BIDCO) and Community Bank of the Bay, Barnes presented a \$450,000 symbolic check to the 1,000th loan guarantee recipient entrepreneur Kat Nouri. Nouri owns Modern-twist, an Emeryville-based small business that makes household products out of food grade silicone – a sustainable, man-made material from silica, an abundant natural resource found in sand combined with oxygen. It is recyclable through industrial facilities and a more sustainable choice than plastic. The mother of three wanted to create home products that are safe for people and the planet. "IBank's loan guarantee is a game changer for me. I can actually grow my business and go into mass distribution with my products now," said Nouri. "Other traditional loans didn't work for my business and this one really makes a difference." Modern-twist is also able to hire six more employees with the help of the loan guarantee.

IBank's Small Business Loan Guarantee Program encourages lenders to provide loans to small businesses that have difficulty accessing capital. IBank partners with Financial Development Corporations located throughout California to guarantee up to 80 percent of the loan to encourage lenders to provide funds for business growth and working capital to small businesses. IBank's Small Business Loan Guarantee Program has resulted in more than \$400 million in loans, creating or retaining nearly thirty-five thousand jobs.

"As part of GO-Biz, IBank's Small Business Loan Guarantee Program is critically important because it provides alternative financing when traditional lenders are not able to offer such loans

California Infrastructure and Economic Development Bank (IBank)
Mailing Address: P.O. Box 2830, Sacramento, CA 95812-2830
MAIN Telephone: (916) 341-6600
www.ibank.ca.gov

and helps California's small businesses expand," said GO-Biz director Panorea Avdis. "It is an honor to recognize IBank's Executive Director, Teveia Barnes, the nine Financial Development Corporations located throughout the state, Modern-twist and all the companies that have benefited from this incredibly valuable loan guarantee program."

State Small Business Credit Initiative (SSBCI) funds allocated to California by the U.S. Treasury supports IBank's Small Business Loan Guarantee Program. California deploys the most SSBCI funds of any state according to the U.S. Treasury Department.

"As a member of the boards of both IBank and GO-Biz California Competes Tax Credit Program, I am an advocate for finance programs that make direct benefits to local communities," said State Treasurer John Chiang. "Our funding programs are investing in the future success of California's economy."

Tuesday, Senator Bob Hertzberg introduced SB 936, an administration sponsored bill that seeks to increase the leverage ratio for IBank's Small Business Loan Guarantee Program from 5:1 to 10:1. This change will bring California into conformance with federal standards and allow IBank and its partners to provide more loans to California small businesses.

"The Small Business Loan Guarantee Program is an outstanding program, and I am proud to author legislation that will allow it to expand and deliver more support to small businesses across the state," said Senator Hertzberg. "This vital program helps to create jobs, and often jobs in areas that need it most, simply by encouraging private lending. It is smart public policy."

For more *Small Business Success Stories* and a video featuring Modern-twist, visit IBank's [website](#).

What they are saying about IBank's Small Business Loan Guarantee Program

"As the Chair of the Assembly Committee on Jobs, Economic Development, and the Economy, I am pleased to commemorate this important milestone in the state's support for small businesses," said Assembly Member Eduardo Garcia. "These funds have made it possible for the state to guarantee loans to those businesses which stand at the core of California's job growth."

"I want to congratulate Modern-twist, an eco-friendly business based in Emeryville, for being the 1000th small business receiving a loan from the State Small Business Credit Initiative. The initiative has allowed for California's small businesses to continue thriving in our communities and being the driving force of our local economies. GO-Biz has proven that preserving small businesses, the backbone of our economy, is a priority for the State of California," said Assemblymember Tony Thurmond.

"Modern Twist showcases the best of the 9th Senate District: A hard-working and innovative woman-owned business located in the heart of Emeryville that makes products that protect children, families and the environment," Senator Loni Hancock said. "The IBank small business loan guarantee program is helping small businesses like Modern-twist expand their operations, hire new people and grow California's economy."

*"We are honored to work with IBank to open the L.A. Kitchen. Unlike traditional charities, L.A. Kitchen is a social enterprise that will create jobs for hard to employ citizens and re-invest all our profit back into our community. Without visionary partners like IBank, programs like L.A. Kitchen would stay just that...a vision. Now, we're about to open our doors, and start helping people get great jobs," said **Robert Eggers, Founder, Owner L.A. Kitchen***

*"The IBank loan guarantee helped B street Theatre with our expansion project," said **Bill Blake, managing director of B Street Theatre**. "It completes an entertainment, theater and arts district that will continue to make Sacramento a cultural destination."*

*"The IBank support for a \$2.5 million loan with Banc of California guaranteed by the Small Business FDC of Orange County, was instrumental in supporting the expansion of our child care centers and senior nutrition sites and services, supporting 25 jobs, in addition to the invaluable human services to residents of the Inland Empire", said **Dom Betro, CEO of Family Services Association**.*

*"IBank's loan guarantee allowed us to open a second innovative Ednovate campus to allow us to serve more Los Angeles families," said **Oliver Sicat, the CEO of Ednovate**, "it will also allow both of our schools to improve more rapidly as they collaborate and compete with one another to find better ways to personalize learning for students."*

*"Small businesses are the nation's leading job creators, and the State Small Business Credit Initiative (SSBCI) connects sources of capital to the small businesses that need it," said **Jeffrey Stout, Director of SSBCI at the U.S. Treasury Department**. "California's funds will continue to support loans and investments in California's small businesses."*

About the California Infrastructure and Economic Development Bank: *IBank was created in 1994 to finance public infrastructure and private development that promote a healthy climate for jobs, contribute to a strong economy and improve the quality of life in California communities. IBank is located within the Governor's Office of Business and Economic Development and is governed by a five-member Board of Directors. IBank has broad authority to issue tax-exempt and taxable revenue bonds, provide financing to public agencies, provide credit enhancements, acquire or lease facilities, and leverage State and Federal funds. Find more information at <http://www.ibank.ca.gov>.*

About GO-Biz: *GO-Biz serves as California's single point of contact for economic development and job creation efforts. GO-Biz offers a range of services to business owners including: attraction, retention and expansion services, site selection, permit streamlining, clearing of regulatory hurdles, small business assistance, international trade development, assistance with state government, and much more. For more information visit: www.business.ca.gov.*